GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:5195
ANSWERED ON:29.04.2002
BHARAT ALUMINIUM COMPANY LIMITED
SUBODH ROY

Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Government are aware that Bharat Aluminium Company Limited (BALCO) has suffered loss of crores of rupees as reported in the `Rashtriya Sahara` dated March 20, 2002;

(b) if so, the facts and details thereof;

(c) whether the new management of BALCO company is involved in this bungling;

(d) if so, the action taken by the Government in this regard; and

(e) if not, the reasons therefor?

Answer

THE MINISTER OF COAL AND MINES (SHRI RAM VILAS PASWAN)

(a) to (e): Yes, Sir. But the report appeared in the `Rashtriya Sahara` dated 20th March,2002 is exaggerated. The losses suffered by Bharat Aluminium Company Limited (BALCO) before tax in the year 2000-01 was Rs. 13.80 crore andafter tax it was Rs. 43.03 crore. The main reasons for losses suffered by BALCO are as under:

(i) Fall in production and sales due toemployees` strike during March, 2001.

(ii) Steep increase in power cost due to prolonged shut-down of one of the four units in the Captive Power Plant.

(iii) Reduction in interest income due to utilisation of available surplus for buy-back of shares by Government of India prior to disinvestment.

(iv) Payment made on account of Voluntary Retirement Schemes (VRS) prior to disinvestment.